



State of North Dakota  
Office of State Tax Commissioner  
600 E. Boulevard Ave., Dept. 127  
Bismarck, North Dakota 58505-0599

Cory Fong  
TAX COMMISSIONER

# Beginning Entrepreneur Statement

*To be completed and attached to the income tax return of an entrepreneur claiming a beginning entrepreneur income tax deduction*

This statement facilitates the administration of the beginning entrepreneur income tax deductions allowed under North Dakota Century Code §§ 57-38-71 through 57-38-74, and 57-38-01.2(1)(n). For a complete explanation of the beginning entrepreneur income tax deduction provisions, including the definitions of *entrepreneur* and *beginning entrepreneur*, see ***Income Tax Guideline: Beginning Entrepreneur Income Tax Deductions***.

This statement has three parts: **Part 1 (Beginning Entrepreneur Certification)** must be completed in all cases by the individual who qualifies as a beginning entrepreneur. **Part 2 (Entrepreneur Rental Certification)** must be completed by the entrepreneur *only if* a deduction for net income from a lease contract is claimed. **Part 3 (Net Worth Statement)** must be completed in all cases by the individual who qualifies as a beginning entrepreneur.

This statement must be completed and attached to the entrepreneur's North Dakota income tax return for each tax year in which a beginning entrepreneur income tax deduction is claimed. The entrepreneur may make copies of this statement, as needed, for this purpose. The entrepreneur should also keep a copy.

**Part 1 — Beginning Entrepreneur Certification.** This part must be completed by the individual who qualifies as a beginning entrepreneur. This part must be completed in all cases regardless of the kind of deduction claimed by the entrepreneur. (Also see **Part 3** on the reverse side.)

1. Name of beginning entrepreneur \_\_\_\_\_
2. Address of beginning entrepreneur \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
3. Social security number of beginning entrepreneur \_\_\_\_\_
4. Date on which lease or purchase contract was entered into \_\_\_\_\_

*I declare under the penalties of N.D.C.C. § 12.1-11-02, which provides for a Class A misdemeanor for making a false statement in a governmental matter, that I am a beginning entrepreneur as defined in N.D.C.C. § 57-38-71(1).*

\_\_\_\_\_  
Signature of beginning entrepreneur

\_\_\_\_\_  
Signature of spouse, if applicable

\_\_\_\_\_  
Date

**Part 2 — Entrepreneur Rental Certification.** This part must be completed by the entrepreneur *only if* a deduction for net income from a lease contract is claimed by the entrepreneur.

*I declare under the penalties of N.D.C.C. § 12.1-11-02, which provides for a Class A misdemeanor for making a false statement in a governmental matter, that I am an entrepreneur as defined in N.D.C.C. § 57-38-71(2), and that I did not cancel any lease contract on the revenue-producing enterprise with any other person for the purpose of qualifying for the deduction for net income from a lease contract under N.D.C.C. §§ 57-38-73 and 57-38-74.*

\_\_\_\_\_  
Signature of entrepreneur

\_\_\_\_\_  
Signature of spouse, if applicable

\_\_\_\_\_  
Date

**Part 3 — Net Worth Statement.** This part must be completed by the individual who qualifies as a beginning entrepreneur. This part must be completed in all cases regardless of the kind of deduction claimed by the entrepreneur.

## Assets

### Current Assets:

Cash (including savings and checking account balances) .....	_____
Marketable Securities (at fair market value) .....	_____
Accounts Receivable.....	_____
Notes Receivable .....	_____
Inventories (at fair market value) .....	_____
Supplies .....	_____
Prepaid Expenses .....	_____
Other (Identify) _____	_____

**Long-term Investments (at fair market value) .....** \_\_\_\_\_

**Property, Plant, and Equipment (at fair market value):**

Equipment.....

Nonbusiness Real Property:

    Land and improvements .....

    Buildings and improvements (exclude value of principal residence).....

Business Real Property:

    Land and improvements .....

    Buildings and improvements .....

Other (Identify) .....

### Intangible Assets:

Goodwill ..... \_\_\_\_\_

Other (Identify) ..... \_\_\_\_\_

**Total Assets**.....

## Liabilities

### Current Liabilities:

Accounts Payable..... \_\_\_\_\_  
Notes Payable ..... \_\_\_\_\_  
Accrued Liabilities (rent, interest, wages, taxes, etc.) ..... \_\_\_\_\_

### Long-term Liabilities:

Notes Payable (exclude amount owed on principal residence) ..... \_\_\_\_\_  
Other (Identify) ..... \_\_\_\_\_

**Total Liabilities** .....

**Net Worth** (Total Assets minus Total Liabilities).....

*I declare under the penalties of N.D.C.C. § 12.1-11-02, which provides for a Class A misdemeanor for making a false statement in a governmental matter, that this net worth statement, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct, and complete statement.*

Signature of beginning entrepreneur

Signature of spouse, if applicable

Date \_\_\_\_\_